



General Assembly

January Session, 2005

***Raised Bill No. 1117***

LCO No. 3693

\*03693\_\_\_\_\_ET\_\*

Referred to Committee on Energy and Technology

Introduced by:  
(ET)

***AN ACT CONCERNING WORKERS DISPLACED AS A RESULT OF  
ELECTRIC RESTRUCTURING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-245l of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) The Department of Public Utility Control shall establish and each  
4 electric distribution company shall collect a systems benefits charge to  
5 be imposed against all end use customers of each electric distribution  
6 company beginning January 1, 2000. The department shall hold a  
7 hearing that shall be conducted as a contested case in accordance with  
8 chapter 54 to establish the amount of the systems benefits charge. The  
9 department may revise the systems benefits charge or any element of  
10 said charge as the need arises. The systems benefits charge shall be  
11 used to fund (1) the expenses of the public education outreach  
12 program developed under subsections (a), (f) and (g) of section 16-  
13 244d other than expenses for department staff, (2) the reasonable and  
14 proper expenses of the education outreach consultant pursuant to  
15 subsection (d) of section 16-244d, (3) the cost of hardship protection  
16 measures under sections 16-262c and 16-262d and other hardship

17 protections, including but not limited to, electric service bill payment  
18 programs, funding and technical support for energy assistance, fuel  
19 bank and weatherization programs and weatherization services, (4) the  
20 payment program to offset tax losses described in section 12-94d, (5)  
21 any sums paid to a resource recovery authority pursuant to subsection  
22 (b) of section 16-243e, (6) low income conservation programs approved  
23 by the Department of Public Utility Control, (7) displaced worker  
24 protection costs, (8) unfunded storage and disposal costs for spent  
25 nuclear fuel generated before January 1, 2000, approved by the  
26 appropriate regulatory agencies, (9) postretirement safe shutdown and  
27 site protection costs that are incurred in preparation for  
28 decommissioning, (10) decommissioning fund contributions, (11) the  
29 costs of temporary electric generation facilities incurred pursuant to  
30 section 16-19ss, (12) operating expenses for the Connecticut Energy  
31 Advisory Board, and (13) legal, appraisal and purchase costs of a  
32 conservation or land use restriction and other related costs as the  
33 department in its discretion deems appropriate, incurred by a  
34 municipality on or before January 1, 2000, to ensure the environmental,  
35 recreational and scenic preservation of any reservoir located within  
36 this state created by a pump storage hydroelectric generating facility.  
37 As used in this subsection, "displaced worker protection costs" means  
38 the reasonable costs incurred, prior to January 1, 2008, (A) by an  
39 electric supplier, exempt wholesale generator, electric company, an  
40 operator of a nuclear power generating facility in this state or a  
41 generation entity or affiliate arising from the dislocation of any  
42 employee other than an officer, provided such dislocation is a result of  
43 (i) restructuring of the electric generation market and such dislocation  
44 occurs on or after July 1, 1998, or (ii) the closing of a Title IV source or  
45 an exempt wholesale generator, as defined in 15 USC 79z-5a, on or  
46 after January 1, 2004, as a result of such source's failure to meet  
47 requirements imposed as a result of sections 22a-197 and 22a-198 and  
48 this section or those Regulations of Connecticut State Agencies  
49 adopted by the Department of Environmental Protection, as amended  
50 from time to time, in accordance with Executive Order Number 19,

51 issued on May 17, 2000, and provided further such costs result from  
52 either the execution of agreements reached through collective  
53 bargaining for union employees or from the company's or entity's or  
54 affiliate's programs and policies for nonunion employees, and (B) by  
55 an electric distribution company or an exempt wholesale generator  
56 arising from the retraining of a former employee of an unaffiliated  
57 exempt wholesale generator, which employee was involuntary  
58 dislocated on or after January 1, 2004, from such wholesale generator,  
59 except for cause. "Displaced worker protection costs" includes costs  
60 incurred or projected for severance, retraining, early retirement,  
61 outplacement, coverage for surviving spouse insurance benefits and  
62 related expenses. "Displaced worker protection costs" does not include  
63 those costs included in determining a tax credit pursuant to section 12-  
64 217bb.

65 (b) The amount of the systems benefits charge shall be determined  
66 by the department in a general and equitable manner and shall be  
67 imposed on all end use customers of each electric distribution  
68 company at a rate that is applied equally to all customers of the same  
69 class in accordance with methods of allocation in effect on July 1, 1998,  
70 provided the system benefits charge shall not be imposed on  
71 customers receiving services under a special contract which is in effect  
72 on July 1, 1998, until such special contracts expire. The system benefits  
73 charge shall be imposed beginning on January 1, 2000, on all customers  
74 receiving services under a special contract which are entered into or  
75 renewed after July 1, 1998. The systems benefits charge shall have a  
76 generally applicable manner of determination that may be measured  
77 on the basis of percentages of total costs of retail sales of generation  
78 services. The systems benefits charge shall be payable on an equal  
79 basis on the same payment terms and shall be eligible or subject to  
80 prepayment on an equal basis. Any exemption of the systems benefits  
81 charge by customers under a special contract shall not result in an  
82 increase in rates to any customer. Each exempt wholesale generator  
83 shall provide severance, retraining, early retirement, outplacement,  
84 coverage for surviving spouse insurance benefits and related expenses

85 to displaced workers involuntarily dislocated on or after January 1,  
86 2004, from such wholesale generator, except for cause, and shall apply  
87 for recovery of such displaced worker protection costs pursuant to the  
88 provisions of subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2005	16-245l
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***Statement of Purpose:***

To provide displaced worker protections to displaced employees of wholesale generators of electricity.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*